

98-84371-2

Trafton, Mrs. William H.

Free silver versus
prosperity!

[S.I.]

[1896]

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332.41	
Z	Trafton, Mrs. William H
v.46	Free silver versus prosperity. an address... at a meeting of the West End woman's republican association, New York, September 11th 1896.
	15 p. 17 cm.
	Half-title.
	Vol. of pamphlets.

Only Ed

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TECHNICAL MICROFORM DATA

FILM SIZE: 35mm

REDUCTION RATIO: 9:1

IMAGE PLACEMENT: IA IIA IB IIB

DATE FILMED: 3/27/98

INITIALS: F.C.

TRACKING #: 31133

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P22.5A
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Free Silver Versus Prosperity!

AN ADDRESS DELIVERED

— BY —

MRS. WM. H. TRAFTON,

AT A MEETING

— OF THE —

WEST END

WOMAN'S

REPUBLICAN

ASSOCIATION.

NEW YORK, SEPTEMBER 11TH 1896.

WEST END

Woman's Republican Association,

NEW YORK CITY,

OFFICERS.

Mrs. CLARENCE BURNS, President.

Mrs. J. G. WENTZ, 1st Vice President,

Mrs. JAMES FAIRMAN, 2d Vice-President,

Mrs. HARRY WALLERSTEIN,
3d Vice-President,

Mrs. CORNELIA ROBINSON,
Recording Secretary,

Mrs. MAY BANKS STACEY,
Corresponding Secretary.

Mrs. CHAS. O'CONNOR IRWIN,
Treasurer.

Mrs. WM. H. TRAFTON,
Chairman Executive Committee.

FREE SILVER VERSUS PROSPERITY.

• • •

The advocates of the free coinage of silver have from the beginning attempted to bolster their position and gain the support of the masses by the fallacious claim that the success of their schemes would bring material benefits to the so-called laboring classes. Indeed, the silver fanatics have made no effort to conceal the fact that they aim or rather pretend to have, as their main object, the benefit of the poor to the detriment of the well-to-do. It is difficult, if not impossible to comprehend, how the general public can derive any noteworthy or permanent advantage from the free coinage of silver. Of course, it is a self-evident fact that the owners of silver mines and those employed by them, would reap a rich harvest through the artificial demand for silver at a fictitious price. It is however, impossible to conceive how the people at large can gain

thereby; especially as the free silver advocates not only admit, but actually contend that the enactment of the proposed law would result in advancing the price of all commodities; in other words, how could the laborer, mechanic, or any other wage earner be benefited, if he were obliged to pay more for all the necessities of life unless his wages were correspondingly increased? In short, if living expenses were increased, say 25 per cent., and wages only to a similar extent, it would leave the laborer in just the same position he was at the start. But the question naturally arises, will wages be advanced to any appreciable extent? If not, it is manifestly absurd to pretend that the free coinage of silver is primarily for the benefit of the poor. It is a well-known fact that almost the last things to advance are wages, and they cannot be permanently enhanced unless fully warranted by a decided improvement in business. In this connection, the thought is naturally suggested as to how those who are employed at a fixed weekly or monthly salary, such for instance as letter carriers, policemen, firemen, etc., can reasonably expect that free silver will improve their financial condition.

There is certainly no valid reason to suppose that the earnings of any surface railway company, or any similar corporation will be favorably affected by free silver and therefore is it probable that they would voluntarily increase the wages paid to those whom they employ? Just to think! How many thousands, and even tens of thousands of men, and women too, for that matter, who would come under this category! And they must each decide individually as to whether they can reasonably anticipate any addition to their income. At the same time they must take into consideration the fact, that the average wages paid in this country are considerably in excess of those paid in other countries. Furthermore, they must bear in mind, that the hours of labor are shorter here than elsewhere; and what is still more important, the cost of nearly all staple articles, as well as clothing, etc., is virtually as low here as it is in Europe, where wages are in many instances only half.

Right here it is worthy of notice that the so-called laboring class are by no means the only sufferers through the wide-spread depression that has prevailed during the past few years. In fact, we have statistics

to demonstrate that capital has in many instances sustained a much greater loss than labor. For example, we find that the price of the products of cotton mills, such as sheetings, drillings, prints, ginghams, etc., have declined since 1873 to the extraordinary extent of 60 $\frac{2}{3}$ per cent., while the rate of wages paid to the operatives of these mills has only declined 13 per cent. during the same period. In other words the mill owners have lost 47 $\frac{2}{3}$ per cent. more than their mill hands. At the same time the fault finders should also remember that the appreciable decline in the cost of cotton fabrics has redound to the benefit of the general public, which as we all know, largely consists of the laboring class.

From a careful scrutiny of the foregoing statistics it is extremely difficult, and actually impossible to discover upon what grounds the silver fanatics base their much vaunted sympathy for the amelioration of the sufferings of the poor. It is true of course that the condition of business affairs and trade in general has been by no means satisfactory for several years; but it is also a well-known fact that this depression has been keenly felt by virtually all classes alike. There has in fine

been no discrimination; the so-called well-to-do having to bear their share of the burden as well as the poor. I venture to say with little fear of contradiction, that fully 90 per cent. of the population of this country have suffered in one way or another from this wide-spread depression. But, the claim of the silver cranks that this distress has been brought about by the adherence to the gold standard is nonsense pure and simple.

This foolish idea is in a measure refuted by the fact that the demoralization of business affairs has been by no means confined to our own country.

We can all remember how one of the greatest financial houses in the world, that of Baring Brothers which had the reputation of being solid as the Bank of England was obliged to succumb through disastrous investments in the Argentine Republic and other foreign countries. The result of this, I may say world-wide calamity was a serious disturbance of commercial and financial affairs, not only in Argentina but in every country in which they had interests.

It is also fresh in our memories how nearly all the principle banks and financial institutions in Australia, were obliged to close their doors, temporarily at least.

I might occupy more of your time, citing many other events of a similar character to show how erroneous are the claims that our "hard times" are due to the absence of free coinage of silver. As a matter of fact, there is far more silver in these United States now, than there was at the time when our great prosperity excited the wonderment of the Old World.

Statistics show that there have been put in circulation since 1878 more than \$624,000,000 or its representative. Previous to that time there had been less than \$9,000,000 of silver dollars coined in the entire history of the United States covering a period of 89 years. This has given us more silver than gold, which in itself ought to be sufficient refutation of the fallacious arguments advanced by the silverites. We have now far more silver in use than any other country in the world with the exception of India and China—\$500,000,000 more than Great Britain—\$400,000,000 more than Germany—and \$150,000,000 more than France; \$325,000 less than India and \$125,000,000 less than China. And yet, who will dare to assert that the condition of our people as a whole is not far superior to those in the

countries mentioned; but especially the poor down-trodden people in India and China, whose condition as far as the comforts of life are concerned is not much better than enjoyed by beasts of the field.

If silver is to accomplish so much for the betterment of our working people, how is it that the laborers in India and China receive only a few paltry pennies for their day's work? Almost every one of intelligence must know that in scarcely another country on the globe do the laborers earn sufficient to enable them to eat meat at least once a day.

Most any intelligent emigrant will tell you that they and their co-laborers in their European homes never knew what it was to enjoy the luxury of meat every day until they came here.

The actual prosperity of a country may properly be measured by the wages of labor, which is the greatest of all commodities; exceeding greatly in value the product of our gold and silver mines. It is therefore important to note that wages have not fallen, but on the contrary have materially increased since the general suspension of free coinage. From a table prepared by a special senate committee reporting upon prices and wages from 1840 to 1892 the year 1860 being taken at a basis at 100, it

appears that the lowest level was in 1863 when we were on a paper basis, being only 76.2; while the highest level was in October 1892, when it was a trifle over 161. Besides having their wages more than doubled during this period, labor has had reason to be thankful for an additional boon in the shape of a reduction in their hours of work which had been reduced from 11 in 1860 to 10 in 1891 and later to 8 in many branches of trade.

Furthermore, there was another rise in wages until the panic in 1893; since when there has been less demand for labor, but nevertheless, no important or permanent reduction in wages. From this we may conclude that whatever gold may have done since 1873, it certainly has not depreciated the price of labor. On the other hand, what do we find that silver has done in countries, where it is independent of gold and has the whole field to itself?

Take for instance, China, Mexico and Japan, where it has given by no means the remuneration to labor that it has received in gold standard or bi-metallic countries. From a United States consular report from Japan, we find that the daily wages paid there for mining and unskilled labor, necessary for the production of what

may be termed raw materials, will average about 10 cents (United States currency,) and that paid for skilled labor will at present average about 18 cents. This would be equivalent to about 22 and 40 cents a day respectively, in the currency of Japan. From a United States consular report from Shanghai, China, we find the daily wages there with board were in our currency, as follow:—Blacksmith 13 cents, bricklayer 10 cents, carpenter, 11 cents, and cotton factory hands without board, 18 cents. Wages in Mexico in their currency are as follow:—Blacksmiths from \$1.00 to \$2.50 per day, carpenters from \$1.00 to \$1.50, tailors from \$1.00 to \$1.50, while factory hands and common laborers only receive from 50 to 75 cents per day.

It must be borne in mind that these wages are paid in Mexican money which is equal to only about 54 cents on the dollar of our currency. In other words it will be seen that the Mexicans only actually receive a trifle more than one-half of the wages indicated above, computing from our standard. To make matters worse, the price of staple articles, such as flour, etc., are fully twice and in some instances three times as dear as here.

When we consider the low wages paid elsewhere as indicated above, one naturally wonders that there should be any dissatisfaction among our working people.

The solicitude of the silver men has also been directed largely to another form of labor; namely:—the tiller of the soil, otherwise the farmer. With their usual disregard for accuracy, and an absence of common sense, they have attempted to prove that the low prices which farmers have been obliged to accept for their products, has been brought about by our adherence to the gold standard. To any one at all familiar with the facts, it is very clear that the low prices ruling for our principle crops, have been the natural result of a variety of causes. Primarily, there has been an over production in practically all quarters of the globe. Ten years ago, when our wheat, corn, etc., commanded high prices in Europe, we had to contend with very little competition in English markets where the bulk of the world's surplus has to be sold. Prior to that time, India had not been a serious competitor, while the Argentine Republic was scarcely known in this respect. In recent years, the vast and fertile plains of Argentina have been freely cultivated, es-

pecially by the great hordes of Italian emigrants, who have flocked there with remarkable rapidity. The majority of these settlers are of a very ignorant and low order, and willing to work for wages so low, as to put our farmers at a serious disadvantage.

It is highly probable that the competition from that quarter would be even more keenly felt, had they the same facilities for harvesting, storing, and transporting, as exist here. The same is true of India; where the almost barbarous natives are quite willing to work for a few pennies daily.

Australia has also come to the fore rapidly as an agricultural country in recent years. Not only have these British Colonies exported a large quantity of grain to Europe but they have also shipped largely of meats; thus cutting into the profits of our farmers. Then, too, Russia has largely increased her area devoted to the production of grain, especially wheat and rye, which has been encouraged and fostered by substantial aid from the Government, and hence in recent years Russia has exported more wheat, rye, etc. to western Europe than we have.

Not only have we been obliged to contend with foreign competition, but have had at the same time a largely increased production in our own territory; notably in the great North-west.

In the good times when high prices were the rule, the production of wheat, corn, oats, etc., was confined mainly to the older states east of the Mississippi river; but within the past ten or twelve years an enormous area has been opened up by the vast army of emigrants who have come to our shores; especially from Germany and the Scandinavian Peninsula. The newcomers have gone to the rich and fertile fields in the far West, and there they have tilled the wonderfully productive soil, industriously, until the new and great states of Iowa, Nebraska, Minnesota and the Dakotas have become the greatest wheat and corn producing territory in the world.

Thus it may readily be seen that the production has far outstripped consumption, and therefore it is no wonder that prices have been forced to a lower level. These facts are so plain and conclusive that it requires no familiarity with the subject to determine at a glance why values of farm products have declined. While it would be useless, if not foolish to deny that these prices are remarkably low, it must not be lost sight of that farmers

have not suffered thereby, as much as the silverites would wish us to suppose.

As a matter of fact, only a small proportion of the decrease in price has actually been sustained by the farmer, as a large percentage of the reduction in the price has been due to the greatly lowered cost of transportation from the farm to the large seaboard markets. For instance, the average charge for transporting a ton of freight, one mile on thirteen of the most important railroads in the United States during 1865 was 3.08 cents, in 1870 the rate had fallen to 1.81 cents in 1875, 1.36 cents in 1880, to 1.01 cents and in 1893 to 0.76 cents.

These railroads carried one-third of the entire freight transportation during 1893. The whole transportation performed by the railroads of the country during the twelve years ending June 30, 1894, was equivalent to moving 136,799,677.822 passengers and 807,935,382.838 tons of freight one mile. Had the rates averaging as high as those of 1882 been collected upon this traffic, the railroads would have earned \$2,629,043.459 more than they actually received.

By the foregoing, it will be seen that freight rates have fallen to less than one-

third of what they were fifteen years ago, while the cost of farm products in seaboard markets has not diminished one-half.

While this goes to prove that farmers have not been the only losers by the low prices current for their products, it also shows that the construction of railways has been carried on to a remarkable extent, in fact, in excess of legitimate requirements.

It must be remembered that while the price of farm products has declined, the cost of everything a farmer buys has also diminished. In short, farm products have decreased 26 per cent. in value, while the average decrease in the articles he buys, has fallen 65 per cent. The cost of raising grain has also been lessened through the medium of modern inventions. The expense of tilling, cultivating and harvesting being materially lessened by the introduction of the steam plow, steam mower and reaper and steam threshing machine. All the product of Yankee ingenuity.

Railway employees would especially suffer in the event of free silver coinage; as their wages are fixed and well nigh impossible to raise, particularly as the companies would be in no position to raise wages, even if they wished to, as they

would be obliged to accept silver in payment for passenger and freight transportation, while compelled to pay their bonds and interest in gold for which they would be forced to pay a premium. Hence their profits would be reduced and their ability to pay good wages lessened.

While it is possible that the price of silver bullion would be advanced temporarily, by a speculative demand, immediately following the enactment of a free coinage law, it is probable that the price would again fall to a normal level, as it did while the so-called Sherman law was in force.

Of course the price of silver will be controlled in the long run by the law of supply and demand like all other products and staple articles, such as wheat, corn, iron, etc. Why should silver differ in this respect from any other of the earth's products? Speaking of the law of supply and demand, I am reminded of the amusing story of the stupid western silver crank, who, on being told that the price of silver would be controlled by the law of supply and demand, shouted, "Well, when we get in control at Washington, we'll darn soon have that measly old law of supply and demand repealed, b'gosh!"

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